

MINISTER OF FINANCE

Room 103 Legislative Building Winnipeg, Manitoba R3C 0V8 CANADA

MINISTER OF TRANSPORTATION AND INFRASTRUCTURE

Room 203 Legislative Building Winnipeg, Manitoba R3C 0V8 CANADA

MINISTER OF CONSUMER PROTECTION AND GOVERNMENT SERVICES

Room 343 Legislative Building Winnipeg, Manitoba R3C 0V8 CANADA

March 20, 2023

Prompt Payment Coalition

Dear Prompt Payment Coalition:

Government's commitment to establish meaningful prompt payment remedies in Manitoba is vital to the construction industry and is expected to boost both economic and regulatory competitiveness of the province by ensuring that payments flow through the construction pyramid in a timely fashion.

At a stakeholder consultation event held in July 2022, we heard that stakeholders are looking for Government to introduce a prompt payment scheme in Manitoba. By doing so, Manitoba will align with other Canadian provinces and will ensure there are no barriers created for inter-provincial trade or labour mobility.

The consensus during the stakeholder working group consultations held in November and December 2022 was that the preferred option is to insert a prompt payment scheme into *The Builders' Liens Act (BLA)*. As you are now aware, in taking this option, the legislated prompt payment scheme would not apply to two key crown organizations: Manitoba Transportation and Infrastructure and Manitoba Hydro.

As Ministers responsible for the departments of Consumer Protection and Government Services, Manitoba Transportation and Infrastructure (MTI), and Manitoba Hydro, we are committed to ensuring our Government departments and Crown agencies make timely payments, whether they are within the scope of *The Builders' Liens Act* or not.

And so, in the sprint of prompt payment legislation, we assure you that as it comes into force, we are committed to pay our contracts within the same 28 days. The 28 days will also apply to payment of contract holdbacks after completion of necessary and contractual inspections and commissioning sign-off marking projects as complete.

We, as Ministers of the aforementioned Government entities, recognize the importance of timely payments to the efficiency of the construction sector and the shared goal of economic growth in Manitoba. Please contact us if you have any questions.

Sincerely,

Honourable Cliff Cullen

Deputy Premier Minister of Finance

Minister Responsible for Manitoba Hydro

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Honourable Doyle Piwniuk

Minister of Transportation and Infrastructure

Honourable James Teitsma

Minister of Consumer Protection and Government Services

Minister Responsible for the Public Utilities Board and the Public Service Commission

cc. Richard Groen, Deputy Minister, Finance

Sarah Thiele, Deputy Minister, Transportation and Infrastructure

Bruce Gray, Deputy Minister, Consumer Protection and Government Services